The Retirement Unitrust

Mary grew up on a farm. When her parents passed away, she inherited the farm.

When Marty was growing up, the farm was out in the country. The city now has grown until the farm is now within the city limits. Several developers would like to build homes on the farmland.

Mary: We have received modest payments from the farm over the years. I allowed a neighboring farmer to graze his cows on the farm until recently. Since I inherited the farm from my parents several years ago, the value of the farm has greatly increased.

Bill: We checked with our tax advisor and the farm could be sold, but there would be a very large tax to pay. Since it is a good time to sell the land, we would like to sell. It would be good to let the sale proceeds grow for about 10 years until we plan to retire. In fact, we are hopeful that we can sell tax free and then allow the proceeds to grow tax free.

Mary: I was excited to learn from our tax advisor that there is a plan that does provide for our retirement. She explained that we could transfer the land into a special trust. Once inside this trust, the farm could be sold tax-free and the cash invested for growth. The proceeds would grow tax-free inside the trust until we retire. At that time, the payouts would be taxable, but we could have as much as $900,000 in the trust.

Bill: We will enjoy a very nice retirement. We already have an IRA and are planning to use that for retirement. With the extra income from this retirement trust, we will be able to travel and really enjoy our golden years.

For more information on one of the following options please call or e-mail Gerry Taylor at United Way of Northeast Georgia 706-543-5254 or gerrktaylor@bellsouth.net.

1. You would like to request an illustration of a Retirement Unitrust.

2. You have some stock or land that has increased in value. You would like to see how this plan could work for you.

3. You would like to receive a presentation of a Retirement Unitrust.